

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 - Name and Address of Company

BitRush Corp. (the “**Company**”), 56th Floor, 100 King Street West, Toronto, ON M5X 1C9.

Item 2 - Date of Material Change

November 14, 2017.

Item 3 - News Release

A news release was disseminated on November 17, 2017 via a Canadian news wire service. A copy of the news release has been filed on SEDAR and is attached hereto as Schedule A.

Item 4 - Summary of Material Change

The Special Committee of the board of directors of the Company announced that the former CEO of the Company, Werner Boehm had been found by the Superior Court of Justice (Commercial List), pursuant to its decision released on November 14, 2017, to have acted oppressively towards the Company and its shareholders. Consequently, the judge ordered that the Company cancel (and amend its registry accordingly) a total of 16,594,388 common shares of the Company held by Boehm’s holding company, MezzaCap Investments Ltd., (and issue from treasury 4,500,000 and 6,237,478 common shares of the Company to Dr. Joachim Kalcher, the inventor of the ANOON technology, and HSRC Investments Pte. Ltd., respectively, to whom the judge found such shares are owed) and that Boehm pay costs to the Company in the amount of \$225,956. The Special Committee, together with its counsel, is reviewing the decision.

Item 5 - Full description of Material Change

5.1 Full Description of Material Change

Refer to Item 4 and the news release attached as Schedule A to this report.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 - Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7 - Omitted Information

Not applicable.

Item 8 - Executive Officer

Karsten Arend, President, ((416) 847-1831).

Item 9 - Date of Report

November 20, 2017.

Schedule A

BOEHM FOUND BY ONTARIO SUPERIOR COURT TO HAVE ACTED OPPRESSIVELY TOWARDS BITRUSH AND ITS SHAREHOLDERS

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO US NEWSWIRES

TORONTO, ONTARIO, November 17, 2017 –The Special Committee of the board of directors of BitRush Corp. (CSE:BRH, Frankfurt:OXSN) ("**BRH**", "**BitRush**" or the "**Company**") is providing the following update to shareholders.

The former CEO of BitRush, Werner Boehm ("**Boehm**"), has been found by the Ontario Superior Court (Commercial List) to have acted oppressively towards BitRush and its shareholders. The Special Committee dismissed Boehm as CEO on December 7, 2016 as a result of his harmful conduct towards the Company which had culminated in BitRush's shares being cease traded by the Ontario Securities Commission. Boehm was also attempting to misappropriate BitRush assets for his personal benefit. After dismissing Boehm, the Special Committee commenced an Application in the Commercial Court to prevent Boehm from causing further damage to BitRush and give the Special Committee the opportunity to secure BitRush's assets and maintain shareholder value until such time as it can seek a resumption of trading on the CSE. The Decision of the Superior Court is an important step towards achieving this objective.

Highlights of the Decision and Reasons include the following:

- a) Boehm's conduct in failing to provide BitRush with the ANOON technology was clearly oppressive. Boehm never took any steps to complete his agreements with Dr. Joachim Kalcher ("**Dr. Kalcher**", the inventor of the ANOON technology) to secure the ANOON Technology, nor did he ever advise the Board that was the case. When the Board learned of the problem from Dr. Kalcher, Mr. Boehm attempted to shift the blame to Dr. Kalcher;
- b) Boehm's conduct in attempting to transfer the shares of AdBit Efficient Marketing Ltd ("**AdBit**") from BitRush to MezzaCap in November 2016 was clearly oppressive. Boehm fraudulently amended AdBit's company register and attempted to fraudulently misappropriate BitRush's property;
- c) Boehm's conduct in transferring \$561,373 from BitRush to companies controlled by him in Austria and subsequently refusing to account for the transfers or return the money when requested was oppressive and constitutes misappropriation of BitRush's property;
- d) Boehm entered into agreements with shareholders for the provision of BitRush shares in exchange for monies and/or services or technology and failed to complete and/or renege on those agreements for no apparent reason;
- e) Boehm's conduct in relation to the 3rd quarter 2016 financial statements was improper. He alleged that Dr. Kalcher was blackmailing the Company and associating with individuals involved in money laundering knowing that the allegations had no basis in fact. Boehm knew that Dr. Kalcher had a legitimate dispute with the Company caused solely by his failure to honour his prior agreements with Dr. Kalcher; and
- f) Boehm knew that in refusing to certify the 3rd quarter financial statements, BitRush's shares would be cease traded by the Ontario Securities Commissions. His actions in refusing to certify the financials for no legitimate reason were clearly contrary to the interests of BitRush and its shareholders.

The Court made a declaration pursuant to section 248 of the *Business Corporations Act* (Ontario) that Boehm caused the affairs of BitRush to be conducted in a manner that was oppressive, unfairly prejudicial and unfairly disregarded BitRush and its shareholders and in breach of his fiduciary duties to BitRush. The Judge ordered that certain shares of BitRush held by Boehm's holding company, MezzaCap Investments Ltd., be cancelled and that Boehm pay costs to BitRush in the amount of \$225,956.

BitRush has been subject to a Cease Trade Order by the Ontario Securities Commission since December 2, 2016. Investors are reminded that any purchases or sales of BitRush securities might be in breach of that Cease Trade Order. The Special Committee, together with counsel, is reviewing the Decision in detail and will provide a further update in the near future.

On behalf of the Special Committee,

Karsten Arend

President, Director

For further information, contact Karsten Arend at (416) 847-1831 or info@bitrush.com.